# EXTENSIONS OF REMARKS

SAVE THE 800 NUMBER— COSPONSOR H.R. 4802

### HON, BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. GORDON. Mr. Speaker, I have just introduced a bill that will close a regulatory loophole that has allowed misuse of 800 telephone numbers.

It may come as a surprise to many of my colleagues, but 800 numbers are not always free for the caller. In fact, a major national problem is apparently developing that could cause the public to lose faith in 800 numbers and seriously damage the multi-billion-dollar business that has built up around them.

Businesses throughout the country depend on 800 numbers to bring them customers over the telephone lines. If we don't move to make sure that 800 toll free numbers really are just that—free to the caller—then customers may

grow wary of calling businesses.

Many people may even start blocking 800 numbers, so that 800 numbers cannot be called from their telephones. Obviously, this would be an expensive disaster that would cause major losses to businesses and the telecommunications industry as well as inconvenience to consumers.

My legislation simply closes a loophole left in current law by preventing 800 number charges from appearing on a telephone bill.

Two years ago, after years of hard work especially by Congressmen MARKEY, SWIFT and DINGELL, and myself, Congress passed the Telephone Disclosure and Dispute Resolution Act, a bill that protected consumers from fraud and misleading practices by marketers of 900 numbers. The FCC and the FTC issued regulations that put the law into effect this year.

One of the goals of the 1992 law was to stop scams where people were induced to call 800 numbers, only to be switched to a 900-type pay-per-call number that could cost \$10 or more a minute. In order to make sure that legitimate information providers were not shut out, we allowed for an exemption where credit cards or presubscription agreements were in place.

But ever creative scam artists have devised a scheme that allows people to put their expensive calls, such as to dial-a-porn lines, on others' bills.

A caller calls an 800 number advertised somewhere. The caller says they want to use the service. The caller is given a numerical PIN code. But here's the catch. The dialaporn or psychic line or other information provider will bill all future calls using that PIN code to the telephone used to make the first call, even if the caller is calling from another telephone number.

The result is that some businesses report receiving large bills for calls made in this fash-

ion, where the original call to the 800 number of the dial-a-porn service was made from the business' telephone.

Another problem has arisen from young people using their parents'—or a friend's parents'—phone to call dial-a-porn numbers. Many parents have blocked 900 numbers from being called from their phones to avoid this kind of problem, but calls to an 800 number are much more difficult to block at this time. In addition, other services avoid 900 blocking by moving off shore, to The Netherlands Antilles, for example.

One of my constituents who wanted to block international calls was told it would cost her

\$53.

I have just introduced a bill, H.R. 4802, that should help stop these problems. This bill simply bans charging for 800 calls on a telephone bill.

The FCC probably could have taken care of this problem under its broad existing authority to regulate the telecommunications industry and to stop misleading practices in this industry, including the pay-per-call industry. In addition, AT&T, Bell South and other telephone companies have taken steps to stop charges for calls to 800 numbers.

But the FCC has not acted to stop this problem. Something needs to be done now, and

this bill will do it.

I ask my colleagues for support in trying to move this legislation quickly to stop the abuses and save the 800 number.

IN HONOR OF THE VOLUNTEERS AND PARTICIPANTS OF PROJECT CHILDREN FOR PROVIDING COM-FORT TO THE CHILDREN OF NORTHERN IRELAND

#### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. MENENDEZ. Mr. Speaker, I would like to take this opportunity to recognize the work of some very special people who have given so much of themselves and their time to an organization known as Project Children. These people open their homes to children from Northern Ireland in order to provide them with some respite from the fighting which takes place in their homeland. I also commend the young people from Northern Ireland who have the courage and strength to endure living in such a hostile environment.

Project Children was founded in 1975 by Denis Mulcahy. Since then, the organization has continued to grow and prosper. Thanks to the many volunteers and contributors, Project Children has been able to bring 9,000 children to the United States. This year, Project Children has flown 840 youngsters from Northern Ireland to the United States. I am proud to say

that 250 of those children are coming to the State of New Jersey. Under the very capable direction of John and Joan Hughes, area coordinators, the Clifton Chapter, which is the largest in the State of New Jersey, received 42 children this year.

I would like to extend a warm welcome to all of our guests from Northern Ireland, especially, Emma Murphy, Lisa Toner, Jerrod Toner, Seadhna Billings, Cailin McKnight, Thomas Tracey, John Hoey, Keith Rea, and Padraig O'Hara. The events of the past few months have given these children and their friends and family reasons to hope. The Downing Street declaration, which was proposed in December, could be a step in the right direction, toward peace in Northern Ireland. For their sake, I certainly hope so.

I would also like to thank the host families

I would also like to thank the host families who have opened their hearts and their homes to these children, especially Kevin and Kathleen Drennan, Robert and MaryAnn McAdams, Brian and Lorri McGorty, Richard and Carolyn Malizia, Joseph and Marie Masterson, John and Mary Brunn, Thomas and Peggy Dreker, and James and Beverly Aibel

I am sure my colleagues join me in wishing these children and their families the best in the future. We also commend their host families for their caring and generosity. Furthermore, we hope that in the coming year, they will no longer have to endure the kind of violence they have been living with for so many years.

TRIBUTE TO WISCONSIN ENTREPRENEURS OF THE YEAR

#### HON, TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. ROTH. Mr. Speaker, I rise today to praise two of the most successful and dynamic businessmen I know on the 25th anniversary of a remarkable partnership.

It is only fitting that Wally Hilliard and Ron Weyers were recently honored as Wisconsin

Entrepreneurs of the Year.

Wally and Ron, as they are known by all of their employees at American Medical Security, first met as rival insurance agents over 25 years ago. However, they recognized immediately that they shared the same vision of what it takes to make a successful business—originality, hard work, perseverance, and a willingness to take risks.

They launched Wisconsin Employers Group in 1970 from the kitchen of Wally's house. In 1988, after selling their company, the entrepreneurial spirit still burned bright.

So Wally and Ron founded their second health insurance company, American Medical Security, and now serve as its president and vice president, respectively.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

American Medical Security is a remarkable success story, growing almost 5,000 percent

in the last 5 years.
In fact, AMS is the fastest growing employee benefits company in the world. Inc. magazine, one of the national sponsors of the Entrepreneur of the Year Award, has listed American Medical Security as the 21st fastest growing company in the U.S.

AMS has also been recognized for its accomplishments by the Wall Street Journal, Forbes magazine, the Washington Post, and

National Public Radio.

Wally and Ron, through American Medical Security and their former companies, have created over 5,000 jobs in the Fox Valley economy. Their insurance policies are sold in 28 States and benefit nearly 1 million people.

The responsibility they feel toward their community is, in my view, their greatest achievement. Ron and Wally have never faltered from their commitment to the people of Green Bay, the people of the State of Wisconsin, and the health insurance industry of America.

I congratulate both of them on the 25th anniversary of their partnership and on being named Entrepreneurs of the Year. But more importantly, I salute them for embodying those personal characteristics, namely, hard work, diligence, honesty, and vision, which have made this country great.

# RESEARCH SAYS THAT POOR DID NOT GET POORER

## HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES Friday, July 22, 1994

Mr. SOLOMON. Mr. Speaker, it is a common misconception that during the 1980's the lower classes increasingly grew poorer. The media and the President have pushed the idea that during the Reagan-Bush years, income inequality increased dramatically

The July 25, 1994 issue of U.S. News & World Report contained an article entitled, "The Poor aren't poorer" which detailed the results of a study on income inequality during the 1980's conducted by sociologists Christopher Jencks of Northwestern University and Susan Mayer of the University of Chicago.

This article points out that the assertions made by the media and President Clinton are untrue. The author writes that the tax changes and domestic-program cuts of Ronald Reagan and George Bush did not increase inequality; in fact, income inequality and poverty levels are significantly lower today than earlier in the

century.

The author reports that in 1988-89, the poorest 10th of all households with children reported a mean income of \$5.558. Jenck's and Mayer's analysis of government data, however, shows that the same households acknowledged spending an average \$13,558-more than twice their reported income. By 1990, households in the lowest 10th were more likely to have a complete bathroom, air conditioning, central heat, telephone service, a dishwasher and a clothes dryer.

As the author states, "The good news is that there is a substantial mobility out of the

bottom of the income distribution, and the poor, on the whole, have tended to get richer over time." In other words, Reaganomics worked. This is only a brief summary of the valuable information in the article. I strongly urge my colleagues to read this article, and I have inserted it for your perusal.

[From U.S. News & World Report, July 25, 19941

> THE POOR AREN'T POORER (By David Whitman)

America, land of opportunity, is fast becoming America, land of inequality-at least according to the conventional wisdom now enshrined in news stories, government reports and campaign speeches. Bill Clinton has said that "I believe with all my heart that I was elected on a commitment to bring end to ... an economic policy that makes the rich richer [and] the poor poorer." In the past five years, reporters cited the fear that the rich are getting richer while the poor grow poorer in more than 600 stories, and a poll in December confirmed 81 percent of adults share that belief.

As is often the case with the conventional wisdom, it is half right. Over the past two decades, the rich generally have prospered and the annual incomes reported by Americans have become more unequal. But research by a number of prominent scholars most notably sociologist Christopher Jencks of Northwestern University-suggests that much of the accepted wisdom about the poorest households is wrong. The revisionists, many of whom share Jencks's liberal leanings, contend that the tax changes and domestic-program cuts of Ronald Reagan and George Bush did little to increase inequality; in fact, income inequality and poverty levels are significantly lower today than earlier in the century. In a series of forthcoming studies, Jencks and his colleague from the University of Chicago, Susan Mayer, show that in many respects the material lot of poor families actually improved during the past two decades. "Rich families with children do seem to have grown richer, says Jencks. "But poor families with children did not necessarily grow poorer."

#### MISLEADING NUMBERS

At first glance, census statistics on poverty appear to refute him. In 1969, 13.8 percent of American children lived below the official poverty line; that figure rose to 21.9 percent in 1992. Moreover, families with children at the bottom of the U.S. income distribution experienced a 22 percent decline in inflation-adjusted income from 1973 to 1987. Yet as Jencks points out, such oft cited numbers are at best incomplete—and at worst misleading—since they are based on annual incomes reported by the poor.

One reason the numbers lie is that the poor often receive in-kind aid (particularly food stamps) that is not counted as income in official poverty statistics. On average, food stamps provided about 16 percent of the total family income of poor children in 1989. And as most consumers know, two families with the same reported income one year may live quite differently over time because their extended families-and their borrowing, saving and taxes-differ.

Above all, annual income is a misleading measure of well-being because of a nettlesome little secret: Many poor families substantially underreport their incomes. Often, the poorest families conceal money they earn at odd jobs or receive from friends and family to ensure that they remain eligible for welfare benefits and to reduce tax liability. In fact, Jencks and Mayer's research documents that for more than a quarter of a century, America's poorest households have spent far more each year than the total income they have reported receiving, and the gap between consumption and reported income has grown in recent decades. In 1988-89, the poorest 10th of all households with children reported a mean income of \$5.588, but Jencks and Mayer's analysis of government data shows that the same group of households acknowledged spending an average of \$13,558-more than twice their reported income.

By looking beyond the official poverty statistics, Jencks and other scholars present a fuller picture of the poor. Their research answers a number of fundamental questions:

Has the material well-being of poor families with children deteriorated in the past two decades? No-on the whole. Consumption and income among low-income households went in opposite directions during the 1980s. The mean income of the poorest 10th of households with children fell 4 percent in real terms, from \$4,935 in 1979 to \$4,745 in 1989. But the mean amount consumed by these households during the Reagan-Bush years rose 13 percent, from \$12,022 in 1980 to \$13,558 in 1988-89.

The disparity is especially important, says Jencks, because consumption and living conditions of low-income Americans provide a more realistic assessment of the material well-being of the poor than does income. The Jencks-Mayer research shows that consumption among the poorest 10th of households with children has edged upward a hair since the early 1970s; their living conditions and access to medical care also mostly improved. By 1990, households in the lowest decile were more likely to have at least one room per person, a complete bathroom, air conditioning, central heat, telephone service, a dishwasher and a clothes dryer (table). And members of low-income households actually saw doctors more often than did middle-class individuals throughout the 1980s. In 1989, members of households making less than \$10,000 a year averaged 6.8 doctor visits; those making more than \$35,000 a year averaged 5.4. However, most such improvements in material well-being took place from 1969 to 1979

Is there less upward mobility among the poor today than two decades ago? No. During the past two decades, the rate of upward mobility has essentially remained constant. The good news is that there is substantial mobility out of the income distribution, and the poor, on the whole, have tended to get richer over time. One analyst, Isabel Saw-hill, who now works in the Clinton administration, co-authored a study that found individuals who started in the lowest fifth in 1977 increased their average family income 77 percent by 1986; those who started in the top fifth increased average family income by 5 percent. She concluded it was "simply not true" that "the poor were literally getting poorer over the last decade or two [or] that the incomes of the rich were skyrocketing.

But there is also bad news. First, the rate of upward mobility has not improved; second, very low income households tend not to move very far out of poverty. Research by Thomas Hungerford of the General Accounting Office shows that after averaging incomes, 60 percent of those in the bottom 10th in 1979 were still in the lowest decile in 1986; 9 in 10 had climbed no higher than the 30th percentile. "Rags-to-riches success stories." he concludes, "are fairly rare, as [are] riches-

to-rags sob stories."

Other studies, such as those by Greg Duncan at the University of Michigan, have failed to find any net change in persistent poverty among black or white children from 1967-72 to 1981-86. More recent research by Duncan and two analyses in the May American Economic Review indicate there may have been a slight uptick in long-term dependence on welfare in the late '80s, notably among black children and young women. But for poor families, the big picture is that the big picture didn't change. In the '80s, dependence, persistent childhood poverty and upward mobility were nearly the same as in the '70s.

Did most of the growth in income inequality in the 1980s stem from tax breaks for the rich and cuts in social programs? No—although Reagan's tax-and-spending policies made matters somewhat worse. The rise in income inequality started in the mid-1970s and took place Canada in and some European nations, too. Most of it was due to "increased inequality in pretax earnings, and it is hard to blame that increase on any deliberate government policy," says economist Paul Krugman in his new book, "Peddling Prosperity." Krugman, a U.S. News contributing editor, claims that Reagan and Bush should be blamed "only a little bit" for the rise in inequality.

The truth is that no one has a really compelling explanation for why wages have become more unequal since the energy crisis of 1973. Most economists cite trends such as the spread of technology and the globalization of world trade as factors that placed a premium on well-educated workers. Still, if the Republicans' policies had little impact on wage inequality, an important corollary is that Clinton-administration fiscal policies—including last year's tax increase on the wealthy—may do little to narrow the gap.

Are inequality and poverty at unprecedented levels? No, far from it. A recent study by Eugene Smolensky and Robert Plotnick for the Institute for Research on Poverty at the University of Wisconsin suggests that income inequality peaked around 1932. They conclude that "inequality was greater in the first three or four decades [of the century] than any period since." Yet the public has a tendency, as Jencks puts it, to mistakenly believe "that the rise in inequality is an inexorable trend line, with everything ultimately leading up to us."

One illustration: In 1992, 14.5 percent of the U.S. population lived below the official poverty line. Yet Smolensky and Plotnick found that at the turn of the century, 70 to 80 percent of all Americans lived in poverty, and half did so by the end of the 1920s. Only after the economic boom of World War II did the poverty rate fall below 30 percent. Those numbers are so high that the authors confess they seem "unreasonable"; Americans today, they assert, have greater expectations than their forefathers about standards of living. Even so, they conclude, the standard of living among the poor plainly rose in the long term.

Does underreporting of income by the poor mean that the extent of poverty in America is grossly exaggerated? Not necessarily. Jencks and Mayer's results pertain only to households with children, so they say nothing about what has happened to the poorest of the poor—the homeless—or about changes in the lives of one especially troubled group, impoverished single males. As it turns out, even among households with children, homeownership in the bottom decile has plummeted; 37.8 percent of families owned their homes in 1970, but 23.9 percent did in 1990.

The Jencks-Mayer data also capture only part of children's living environments; they do not quantify how today's poor child differs from his predecessor in terms of what he learns from his parents, television and music, or in his prospects for encountering street crime and growing up without a father at home.

Jencks himself explains his findings by saying that "poor households may have more income than we thought, but the poverty line ought to be substantially higher, too. In 1989, he says, the bottom 10th of households with children reported they had a mean per capita income of \$4.11 a day to cover expenses.

It's important to remember, too, that not all income is created equal. In the case of poor children, more and more family income comes in the form of a welfare check and less in the form of mom's or dad's paycheck. A study last year by Leif Jensen and his colleagues at Pennsylvania State University found that in 1969, poor children lived in families that drew 63 percent of their mean income from earnings and only 18 percent from public assistance. By 1989, the proportion of family income derived from earnings had fallen to 46 percent and the proportion derived from welfare had doubled. As more poor children become dependent on welfare, more may also run the risk of being isolated from middle-class communities and mores.

The truth is that voters have often shown a fatalism about the nation's economic system. While 81 percent of American adults currently believe that the rich are getting richer as the poor get poorer, an almost identical proportion (76 percent) held the same conviction in 1980—before Ronald Reagan took office and the so-called decade of greed began. For better and worse, the fairness and inequality of the American economy are still gauged partly through the eye of the behalder.

IN HONOR OF THE 10TH ANNIVERSARY OF INROADS

#### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today before the House of Representatives to pay tribute to an organization known as INROADS, which is celebrating its 10th anniversary at its annual awards banquet on July 26, 1994. It is very important that we take time out today to acknowledge the significant contributions this organization and its staff have made to the lives of minority youth throughout our great Nation.

INROADS strives to prepare minority students for professional and managerial careers in business and industry. It gives special attention to above average students of Hispanic, African-American, and American-Indian heritage. College students are placed in 2- to 4-year internships with sponsoring organizations. These internships are year around and require a great deal of participation in training workshops, staff coaching, and community service. The students who participate in this program must meet high academic standards, as well as possess a strong desire to pursue a college degree in the field of business or technology.

INROADS came to life in Chicago in 1970 and has undergone a major nationwide expansion. From one city with only 25 college student interns and 17 sponsoring corporations, INROADS has grown to 40 affiliates with over 6,000 students and 750 client corporations in 32 States and the District of Columbia.

I am proud to have an organization in my district which has taken such a concerned interest in the youth of our country, especially those who might have otherwise been at a disadvantage because of their socioeconomic background. Many minority children face enormous hurdles, including substandard housing, inadequate educational opportunities, and crime-infested neighborhoods. INROADS attempts to even the score by giving some of the most talented minority students a chance to work their way up. These students are not handed a job, they must earn it with their sweat and dedication.

The future of our country rests with our youth. That future can only be a promising one if our young adults have the guidance and support that is lacking in many communities.

INROADS deserves to be commended for their efforts. They have played a key role in molding our Nation's youth into responsible and independent citizens. They deserve our praise and recognition.

THE 100TH ANNIVERSARY OF THE LITTLE RAPIDS CORP.— SHAWANO MILL

#### HON, TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. ROTH. Mr. Speaker, I rise today to commemorate the 100th anniversary of the Little Rapids Corp.—Shawano Mill in Shawano, WI.

The Shawano Mill was founded in 1894 by Frank D. Naber, Joseph J. Wirtz, William C. Zachow, and Kleber M. Phillips under the name of the Wolf River Paper and Fiber Co. In its early years the company specialized in manufacturing groundwood and sulfite pulp, and had one paper machine that could utilize purchased fiber. Today there are three paper machines in operation at the Shawano Mill, taking the company to new heights.

Production capacity has been expanded, and their product line has grown to cover speciality tissue needs of a wide variety of customers. In fact, continued expansion and updating of equipment and support facilities have made the mill a leading supplier of speciality tissue products throughout the United States. Though the mill was started as a small venture, it has evolved into one of northeastern Wisconsin's most significant manufacturers and employers.

On July 1, 1993, the mill was renamed Little Rapids Corp.—Shawano Mill. It currently employs approximately 230 people whose skills and dedication to excellence produce the highest quality specialty tissue products, engineered to fit each customer's needs.

The company's commitment to quality was further demonstrated by its recent construction of a state-of-the-art wastewater treatment facility. It is truly dedicated to the environment and the community.

I congratulate the Little Rapids Corp.— Shawano Mill for a century of excellence and hope that their prosperity continues for many years to come.

A BILL TO DESIGNATE THE HONEY SPRINGS AND WASHITA BATTLE-FIELDS AS NATIONAL PARKS

### HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. SYNAR. Mr. Speaker, it is with great pleasure that I and my colleague from Oklahoma, the Honorable FRANK LUCAS, introduce this bill to designate the Honey Springs and Washita battlefield sites as national parks. Oklahoma is rich with history and natural beauty, and, if enacted, these battlefield sites would be the first national parks in our great State.

For many years, Oklahoma has recognized the historical importance of these sites and considered them to be of value to the Nation, as well. In 1993, the Oklahoma Legislature created the Oklahoma Battlefield Commission to identify and promote the preservation of notable battlefield sites in our State. The commission found that the battles of Honey Springs and Washita were particularly important and worthy of inclusion within the National Park System.

The Battle of Honey Springs, which is in my district, was fought on July 17, 1863. Honey Springs may have been the most racially diverse battle of the Civil War and led to Union control over Indian territory in our area of the country for the rest of the war. Indeed, the Civil War Sites Advisory Commission's recent Report on the Nation's Civil War Battlefields includes Honey Springs among the major campaigns not currently represented in the National Park System.

The Battle of the Washita, on November 27, 1868, was one of the largest engagements between Plains tribes and the U.S. Army on the Southern Great Plains. Lt. Col. George A. Custer, leading the 7th U.S. Cavalry, attacked the sleeping Cheyenne village of Chief Black Kettle and inflicted more than 150 Indian casualties, many of them women and children. The Battle of Washita symbolizes the struggle of the Southern Great Plains tribes to maintain their traditional ways of life and not to submit to reservation confinement.

Before introducing this legislation, both Mr. LUCAS and I held public information meetings in our districts to seek input from representatives of local communities, Indian tribes, affected landowners, and concerned citizens on the proposal to include these battlefield sites within the National Park System. As we move forward with this legislation, we remain committed to a process that guarantees full public disclosure and public input. We want national parks that all Oklahomans and other citizens of this country can take justified pride in, and which enjoy the continued strong support of the local communities.

At this time, I would also like to recognize several people who have endeavored for years to designate Honey Springs battlefield

as a national park. In particular, I would like to thank Dr. Leroy Fisher, the historian on Honey Springs; Lee Stidham, president of the Friends of Honey Springs; Emmy Scott Stidham, and all the other members of the Friends; Dr. Bob Blackburn and Mr. J. Blake Wade of the Oklahoma Historical Society; Governor David Walters: State Senator Frank Shurden: State Representative Chester "Dusty" Rhodes: State Representative John Bryant; Checotah Mayor Mike Earlywine; Cherokee Chief Wilma Mankiller and Deputy Chief John Ketcher; Creek Chief Bill Fife; and the many, many others that have labored long and hard to make this dream a reality. In addition, I would like to thank officials of the National Park Service, including Director Roger Kennedy, Edwin Bearss, Chief Historian, and Doug Faris, Associate Regional Director, southwest region of the National Park Service and members of their staffs for their valuable assistance and support in this endeavor.

Mr. Speaker, I urge all our colleagues to join Congressman Lucas and me in support of this

important legislation.

PATENT SYSTEM UNDER ATTACK

### HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mrs. BENTLEY. Mr. Speaker, inventors across the country are concerned about the proposed changes to the patent system which go beyond the General Agreement on Tariffs and Trade [GATT] terms and are being proposed by the administration. The cry to defend our patent system from these changes has erupted from a cross section of inventors. Included in the signers of the letter are 15 inductees into the National Inventors Hall of Fame and two Nobel Laureates.

The letter written to President Clinton by Paul Heckel, for Intellectual Property Creators and the investors who signed this letter expresses the genuine concern about these changes.

INTELLECTUAL PROPERTY CREATORS,

Los Altos, CA, July 18, 1994.

Re an open letter to President Clinton from

America's inventors.

Hon. WILLIAM JEFFERSON CLINTON, The White House,

Washington, DC.

DEAR PRESIDENT CLINTON: We represent a cross section of inventors who have developed inventions ranging from simple consumer products to breakthrough technologies all of which have contributed to our country's economic growth, standard of living, health, and technological leadership. Most of us are not only inventors but technology entrepreneurs. We share your concerns about the growth of the U.S. economy and your vision for America's continued greatness, but we are concerned about unnecessary changes being proposed to the patent laws in the GATT enabling legislation.

The U.S. patent system was established in the Constitution by our founding fathers. It is a unique and crucial part of our free enterprise system. It has made the U.S. the world leader, not just in pioneering new product concepts and technologies, but bringing them to market. It is not a coincidence that some of those who framed our form of government were inventors; Benjamin Franklin, a founder of the science of electricity, invented bifocals and the Franklin stove. Thomas Jefferson, the first Patent Commissioner, invented a cryptographic system that was used by the United States during World War II. Lincoln, the only president to be issued a patent, a patent litigator, and a technology president who promoted several new technologies into use in the civil war, declared "patents added the fuel of interest to the fire of genius."

Nobel Laureate Robert Solow estimated that 90% of the U.S. economic growth is the result of technological advances. Whole industries have sprung up from the inventions of Edison, Bell, and the Wright brothers. A review of the signatories of this letter demonstrate that today inventors are still creating new companies and new industries. U.S. technological leadership is based on American inventors' willingness to challenge the conventional wisdom and our patent system which supports them in that effort. The loss of the vitality of our patent system will threaten our technological leadership.

It is the people of the U.S. who benefit from the high growth, high paying industries which are created by inventors and tech-

nology entrepreneurs.

We understand that the enabling legislation for the General Agreement on Tariff and Trade (GATT) includes administration language that would change the present patent term from 17 years from the date of issuance to 20 years from the date of filing. While most patents take 2 or 3 years to issue, important patents, especially those in new technologies, take longer-often a decade or more. One of Gordon Gould's laser patents took 29 years to issue. The proposed change would start the clock ticking before the patent issues, thus encouraging delaying tactics by those who don't want the patent to issue. penalizing inventors for patent office delay. and significantly reducing the worth of the patent and the incentive to invest in developing the invention.

The patent system, like the First Amendment, is a critical element of the Constitution, designed to protect and encourage those who advocate change. The proposed modifications to the patent law appear to have been inserted in response to requests from those threatened by technological change they can't control.

President Clinton, you yourself understand the difficulty innovators face. Indeed, you quoted Machiavelli on the subject:

"There is nothing more difficult to carry out, nor more doubtful of success, nor more dangerous to handle, than to initiate a new order of things. For the reformer has enemies in all those who profit from the old order and only lukewarm defenders in those who would profit by the new order. . . ."

The proposed patent changes would rob the U.S. of its technological leadership by tilting the playing field even more against pioneers

and in favor of the copiers.

It is crucial that any proposed patent law changes be in a separate bill, apart from GATT. Such proposals should be voted on ONLY after OPEN Congressional hearings. Congress should have the benefit of testimony from not just patent lawyers but inventors—especially those who have founded companies based on their inventions. If Congress is to change the patent laws, it must understand how the patent system works from the perspective of not just big companies and patent lawyers, but from inventors such as us.

Passing GATT requires a minimal change to the current patent system. GATT makes no reference to filing or issuance dates. The U.S. patent system would comply with GATT by making the patent term expire 20 years from issue. We adamantly oppose any part of the proposed "TRIPS" legislation that is not absolutely required by GATT. We urge you to ask Congress to hold hearings on any on how to strengthen the patent system. Sincerely yours,

PAUL HECKEL,
For Intellectual Property Creators
and the inventors listed below.

Members of the National Inventors Hall of Fame and some of their inventions:

Dr. Frank Colton, Enovid, The first oral contraceptive

Raymond Damadian, M.D., The Magnetic resonance imaging scanner

Gertrude B. Elion, D.Sc., leukemia-fighting & transplant rejection drugs, Nobel Laureate

Dr. Jay Forester, Random access computer core memory

Gordon Gould, Optically pumped laser amplifiers

Dr. Wilson Greatbatch, The cardiac pacemaker

Leonard Greene, Aircraft stall warning device

Dr. Robert Hall, Hight-voltage, high-power semiconductor rectifiers

Dr. William Hanford, Polyurethane

Dr. James Hillier, Electron Lens Correction Device

Jack Kilby, Monolithic integrated circuit Robert Ledey, M.D. The full body cat scanner

ner Dr. Irving Millman, Hepatitis B vaccine & test to detect hepatitis B

John Parsons, Numerically controlled machine tools

Dr. Robert Rines, High resolution image scanning radar, internal organ imaging Members of the American Collage of Physician Inventors:

Dr. Arnold Heyman, Bard/Heyman urethral instrument system

Dr. Charles Klieman, Surgical Staplers

Dr. Robert Markison Sailboard hand rip for windesurfing and surgical instruments

Dr. Lloyd Marks, Cardiac patient monitoring detector

Dr. Leo Rubin, Implantable defibrillator combined with a pacemaker

Other Inventors:

Ron Ace, Lightweight photochromic eyeglass lenses

Dr. Sail Aisenberg, Ion assisted deposition of diamond-like thin films

Dr. Paul Burstein, Rocket motor inspection system

Tom Cannon, Computer kiosk for selecting and printing greeting cards

Charles Fletcher, The Hovercraft

Dr. Richard Fuisz, Rapidly dissoluble medicinal dosage unit

Elon Gasper, Speech synthesis with synchronous animation

Charles Hall, Waterbed

Paul Heckel, Card and rack computer metaphor

Dr. A Zeer Hed, Freeze ablation catheter Anthony Hodges, RSI preventing computer keyboard

Walter Judah, Ion exchange membrane

Ron Lesea, Telecommunications equipment had electronic ballasts

Michael Levine, Magistat thermostat, One screen programming used in VCR Plus

Lawrence B. Lockwood, Interactive multimedia informative system Wallace London, Clothes hanger lock for suitcases, (London v. Carson Pirie Scott) Edward Lowe, Kitty Litter

Cordell Lundahl, Stakhand Hay Handler and other Farm Machinery

Paul MacCready, The Gossamer Condor and Gossamer Albatross airplanes

Jacob Malta, Musical bells (Malta v. Schulmerich)

George Margolin, Microfiche readers, folding pocket calculators

Stan Mason, Shaped disposable diapers, microwave cookware, granola bar

Kary Mullis, Polymerase Chain Reaction, Nobel Laureate

Tod Nesler, Non-fogging goggles for sport and the military

John Paul, Electronic ballasts

Rob Polata, Composite masking for high frequency semiconductor devices

Dr. Richard Pavelle, Method for increasing catalytic efficiency

Peter Theis, Automated voice processing Coye Vincent, Ultrasonic Bond Meter

Paul Wolstenholme, Self erecting grain storage system

The Intellectual Property Creators Coalition:

ALPHA Software Patentholders, Paul Heckel President

American College of Physician Inventors, Dr. Klieman, President

Donald Banner, Patent Commissioner under President Carter

The Inventors Voice, Steve Gnass, President National Congress of Inventors Organizations, Cordell Lundahl President

United Inventors Association of the USA, Dr. Jenny Servo President

#### TRIBUTE TO BILL LICKISS

### HON, RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. PACKARD. Mr. Speaker, I rise to pay special tribute to Bill Lickiss from Temecula, CA, who recently received fourth place in the National History Day competition. Bill is a 15-year-old student at Temecula Valley High School

Bill Lickiss' project for the competition focused on the battle to bring water from the Owens Valley to Los Angeles. His project consisted of photographs of Highway 395 and of the Los Angeles Aqueduct. He showed the effects that diverting the water had on Mono Lake and the Owens Valley. With the help of his teacher, Nita Grantham, Bill spent approximately 1 year researching, writing, and editing his project.

His slide presentation "Stretching the Supply" earned him second place in the county competition and the State competition. His continual efforts to improve his project for the national meet showed dedication and commitment.

I salute the young men and women of today for their extraordinary efforts in academics. Youth, such as Bill Lickiss, who contribute to the betterment of society through hard work and perseverance are positive role models to all of us. These talented individuals are the backbone of America's future.

Mr. Speaker, I hope you and my colleagues will join me in recognizing Bill Lickiss on his

achievements in the National History Day competition.

# TAKINGS AND THE FIFTH AMENDMENT

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. BROWN of California. Mr. Speaker, there has been a considerable amount of discussion recently in committee and on the House floor about the protection of individual property rights under the fifth amendment. Some of my colleagues recently have advocated an interpretation of one portion of the fifth amendment which would justify bankrupting the Federal Treasury, eliminating all Government regulation of private property owners, and create precedent for Federal interference in State and local affairs.

If a community adopts an ordinance requiring their residents to maintain their property, fence-off swimming pools, or to deny them the right to dispose of trash or keep zoo animals on their property, do these ordinances constitute a taking of those properties? Should local communities then be required to purchase at fair market value an individual's home and property if that individual does not agree to comply with the ordinance?

We, all of us, are members of a community. The challenge that has always existed for us in this democracy is to find a balance between individual desires and rights and community responsibility.

The fifth amendment does many things, including protecting individuals from being deprived of live, liberty, or property without due process of law, and having their private property taken for public use, without just compensation. It was never intended to prohibit the protection of our common and community properties of air, water, and other biological resources or the protection of a community from the misuse of property by one owner.

It should be noted that the U.S. Supreme Court ruled recently by the narrowest of margins, 5–4, in Dolan versus Tigard, to incrementally expand the scope of the "takings" clause, where the property owner is actually required to cede title to a portion of his property to the public in return for favorable action by the public body on the owner's request for a development permit. This action should give very little comfort to those who would expand the takings doctrine to include compensation for any adverse economic impact resulting from public regulation to protect broad community interests.

I urge this Congress to support the protection of all property rights and to reject the narrow interpretation of the Bill of Rights represented by the takings legislation, proposed by some of our colleagues.

I include below the full text of the fifth amendment to the Constitution:

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger;

nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in an Criminal Case to be a witness against himself; nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

TRIBUTE TO FRANCIS LIZ THOMPSON-WALTON

### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES Friday, July 22, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the outstanding and admirable contributions of Ms. Francis Liz Thompson-Walton, to her church, the community, Jersey City State College, the college community, and the State of New Jersey.

I would like to pay tribute to Ms. Thompson-Walton for her many accomplishments. She has distinguished herself by her service to her community and her Nation. Ms. Thompson-Walton excelled in her undergraduate and post graduate academic career at Jersey City State College, by graduating with honors. She completed a 4-year program in only 21/2 years,

quite an accomplishment.

Ms. Thompson-Walton became a public servant for the people. Time and again, she has demonstrated her dedication to helping those less fortunate. Her sincerity, integrity, and wisdom soon became widely recognized and admired. She is especially known for founding the Action for Sickle Cell Anemia, Inc. of Hudson County. This organization is designed to promote awareness of the disease. Ms. Thompson-Walton generously took her vacation time to visit local schools and agencies where she made films and gave lecture presentations about sickle cell. In addition, she founded other establishments and programs that grant funding for research on the disease.

Ms. Thompson-Walton was appalled about the myths surrounding the sickle cell disease and the lack of information available to persons wanting to know about the disease. As a result, she met with Dr. William G. Wilkerson, and other interested parties in order to sort out the facts about the disease. A concerned group of laymen and medical persons became the nucleus for the organization known as Action for Sickle Cell Anemia, Inc. of Hudson County. Ms. Thompson was elected president in 1971 and each year thereafter, until she resigned in 1994 for health reasons.

Ms. Thompson-Walton is a great leader. She has sought to educate the community about sickle cell anemia through her many activities. She established the Pre-Mother's Day Dinner—Sojourner Truth Award, the Pre-Father's Day Breakfast—Adam Clayton Powell, Jr. Award, the J. Randolph Johnson M.D. Research Fund, The Reginald O. Coleman, M.D. Medical Scholarship Fund, and the Francis Liz Thompson-Walton Education Scholarship Fund. Her dedication, demonstrated by establishing these awards and funds, is exemplary.

To summarize, Ms. Thompson-Walton has touched the lives of many and has improved

the quality of those lives. The awards she has received to date are not enough to express the community's gratitude. I'm proud to have the opportunity to recognize Ms. Francis Liz Thompson-Walton before the House, and I ask my colleagues to join me in thanking her for her service to the community and commending her for her achievements.

LIFESAVING EFFORT BRINGS
TODD FOLMSBEE HIGHEST
HONOR OF AMERICAN RED
CROSS

### HON, GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES Friday, July 22, 1994

Mr. SOLOMON. Mr. Speaker, I was pleased to learn today that Todd W. Folmsbee of Stuyvesant, NY, will be awarded the American Red Cross Certificate of Merit for his extraordinary efforts to save the life of another district resident.

This Tuesday, July 26, Mr. Folmsbee will receive the certificate and a lapel pin for his humanitarian act of November 29, 1993.

On that day, Arthur Cassinera of Coxsackie was driving his wife, Mae, to Albany Medical Center Hospital when she began suffering chest pains. On the way he enlisted the help of State Trooper Carlos Cuprill, who decided to transport Mrs. Cassinera in his troop car.

Mr. Folmsbee, a New York State thruway employee, helped Trooper Cuprill put Mrs. Cassinera in the troop car and continued administering CPR on her until reaching the hospital's emergency room. Unfortunately, Mrs. Cassinera died 1 hour after reaching the hospital.

The American Red Cross commends both Trooper Cuprill and Mr. Folmsbee, and so should we all. The certificate Mr. Folmsbee will receive is the highest award given by the American Red Cross to someone who saves or sustains a life by using skills and knowledge learned in a Red Cross health and safety courses.

Mr. Folmsbee's reaction reflects well on that training, as well as on the thruway authority. But it also exemplifies an example of the human spirit at its best, and that is the instinct to rise to the occasion when another human being is in danger.

Mr. Speaker, I would ask all Members to join me in praise of that spirit, and specifically the selfless humanitarian act of Todd Folmsbee of Stuyvesant, NY.

TRIBUTE TO ROBERT M. LEVY

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES Friday, July 22, 1994

Mr. SKELTON. Mr. Speaker, today I pay tribute to an outstanding Missourian, Robert M. Levy, who passed away recently at the age of 71. He was an extraordinary citizen and a great asset to the Lexington community.

Bob devoted his life to the service of others. Following World War II, where he served as

an Army captain, he moved to Lexington where he worked for both Mattingly's Stores and Guy's Foods. He was a member of the Immaculate Conception Catholic Church. Additionally, he was an active member of the Lexington Lions Club and served for a time as district governor of district 261.

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Above all else, however, Bob will be remembered for his leadership in the Boy Scouts of America. As a youth, Bob earned his Eagle Scout in Troop 22 in Kansas City, and as an adult leader was a Medicine Man of the tribe Mic-O-Say. Throughout his adult life he dedicated countless hours as Scoutmaster of Troop 318 in Lexington acting as a guide and model for our future leaders.

He is survived by his wife, Dorothy, one son, two daughters, seven grandchildren, and three great-grandchildren. Bob Levy will be missed not only by his family, but also by his many friends whose lives he touched.

TRIBUTE TO ROBERT W. BOGLE

#### HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES Friday, July 22, 1994

Mr. FOGLIETTA. Mr. Speaker, I rise to salute Robert W. Bogle, president/CEO of the Philadelphia Tribune. Mr. Bogle has been honored with the National Newspaper Publishers Association's Publisher of the Year Award. Mr. Bogle, who is also president of the NNPA, received the award during the organization's 54th national convention held in Minneapolis.

The Philadelphia Tribune, founded in 1884, is the nation's oldest African-American newspaper. The newspaper, founded as a forum for progress, has been a leader in making change in both the political and social arenas, and continues to do so today. Under the leadership of Robert Bogle, the Tribune introduced a three-times weekly publishing schedule, four-color format, a monthly magazine, and a weekly television insert. Mr. Speaker, I join with friends and family in congratulating Robert Bogle and the Philadelphia Tribune for this laudable accomplishment.

WAIVER TO THE MERCHANT MARINE'S JONES ACT OF 1886

### HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. MOAKLEY. Mr. Speaker, I rise in support of legislation that I introduced today, which is essential to the business of my constituent from Boston, Mr. Charles Moretto. Mr. Moretto is the owner and operator of Fleet Yacht Charters, Inc., which provides chartered boat tours of Boston Harbor and the surrounding areas.

This legislation would grant Mr. Moretto a waiver to the Merchant Marine's Jones Act of 1886, for one of his vessels, the Lady Helen. Because the Lady Helen was previously owned by a foreign corporation, the provisions of the Jones Act will not permit the Coast

Guard to allow Mr. Moretto to use the boat commercially. However, the boat was built in the United States and is, therefore, eligible for a waiver of the restrictions. Once Mr. Moretto's vessel receives this exclusion from the Jones Act, the Secretary of Transportation will be authorized to issue the boat the proper documentation, allowing Mr. Moretto to use the boat for charter service.

As I stated previously, the commercial use of the *Lady Helen* is essential to the success of Fleet Yacht Charters, Inc. In this day when small businesses often struggle to stay afloat, we need to provide them with all the support that we possibly can. This legislation will go a long way toward meeting that end, by providing Mr. Moretto with the proper authorization to run his charter service at full strength.

THE RULE ON H.R. 3396, THE RETIREMENT PROTECTION ACT OF 1993

## HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. GIBBONS. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of the bill, H.R. 3396, the Retirement Protection Act of 1993, as amended.

RECOGNIZING THE PARTICIPANTS OF THE 11TH ANNUAL NATIONAL NIGHT OUT

### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to the National Association of Town Watch in New Jersey for their participation in the 11th annual National Night Out on August 2, 1994.

Among the participating cities are Bayonne, East Newark, Elizabeth, Guttenberg, Harrison, Hoboken, Jersey City, Newark, North Bergen, Perth Amboy, Union City, Weehawken, West New York, Woodbridge, and Kearny.

I am proud to have such concerned citizens in my district. This outstanding organization is a national project supported by 8,650 communities throughout our 50 States. Their aim is to bring attention to the ever-rising crime and drug rate, which endangers every neighborhood in our Nation. With the combined efforts of law enforcement agencies, citizens, businesses, neighborhood organizations and local officials, the National Association of Town Watch has been able to successfully send a simple message to criminals: "We are organized and fighting to take our streets back."

The participating cities celebrated National Night Out with various events such as block parties, parades, contests, and public safety demonstrations, as well as the traditional dis-

play of outdoor lights and front porch vigils. This kind of community involvement heightens crime and drug awareness and strengthens police-community relations.

The National Association of Town Watch aims to mobilize our communities against crime and the criminal element. For too long, honest, hard-working citizens have lived in fear behind locked doors. The events commemorating national night out are symbolic of our resolve to live in fear no more.

The National Association of Town Watch as well as each of the participating cities are to be commended for their efforts. Their dedication and concern for a safer nation is admirable. The benefits our Nation will receive from National Night Out will most certainly extend beyond one night. I salute them today and wish them luck in their future endeavors.

IN HONOR OF JOHN AND JOAN HUGHES, COORDINATORS OF PROJECT CHILDREN'S CLIFTON CHAPTER

### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to John an Joan Hughes, area coordinators for the Clifton chapter of Project Children. This organization, which is in its 20th year of offering hope to the children of Northern Ireland, is truly exemplary. Mr. and Mrs. Hughes have generously given their time and are dedicated to helping to further the cause and the mission of Project Children.

Although there appears to be hope for the future, the violence in Northern Ireland rages on. The children in the Emerald Isle are forced to live in fear everyday of their lives. That is where Project Children comes in. This year, the Clifton chapter of Project Children, under the very capable direction of John and Joan Hughes, welcomes 42 children to our area. Their voyage to the United States and their placement in the homes of host families, would not have been possible without the efforts and hard work of John and Joan Hughes.

Thanks to John and Joan Hughes, these children are given the opportunity to escape their war-torn nation, even if just for a short while. I am sure they are grateful for such a reprieve. Mr. and Mrs. Hughes have taken on the responsibility of giving some of these children a chance to live in peace for a few weeks.

I know my colleagues will join me today in honoring John and Joan Hughes for their devotion to the children. I am confident that their efforts will not be in vain. In the meantime, we hope and pray for peace to be reached in Northern Ireland.

CAPT. JAMES F. WHITTAKER, DENTAL CORPS, U.S. NAVY

### HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mrs. LOWEY. Mr. Speaker, I rise today in tribute to a dedicated serviceman to the U.S. Navy, Capt. James F. Whittaker. Captain Whittaker has committed his efforts, talents and time to the Navy through his many years in the Dental Corps and is now preparing for a well-deserved retirement.

Captain Whittaker came to the U.S. Navy with an educational background in both the arts and sciences, with an undergraduate bachelor of arts degree from Ohio Wesleyan University and a doctor of dental surgery degree from New York University College of Dentistry. After entry into active duty, Captain Whittaker continued his education with a dental internship at St. Alban's Naval Hospital, followed by a masters degree in Special Studies from George Washington University.

Throughout his years of service, Captain Whittaker has exhibited extraordinary dedication to his country and to the U.S. Naval Dental Corps, while also demonstrating his abilities as a dentist and a leader. He has served in positions ranging from senior dental officer on both the U.S.S. *Hunley* [AS-31] and the U.S.S. *L. Y. Spear* [AS-36], to department head, general dentistry at the Naval Dental Clinic in Norfolk, VA, to his current position as branch director of the Washington Navy Yard.

For his years of practice in the Dental Corps, Captain Whittaker has been decorated repeatedly, earning several military distinctions: the Meritorious Service Medal, Navy Meritorious Unit Commendation with two bronze stars, and the National Defense Service Award with one bronze star.

It gives me great pleasure to recognize a man whose life has been a symbol of the honor of the medical profession and of dedication to the U.S. Navy.

GATT AGREEMENT IS GOOD FOR TEXAS AND FOR NATION

#### HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. ANDREWS of Texas. Mr. Speaker, I am pleased to speak in support of the implementing legislation for the General Agreement on Tariffs and Trade [GATT] that will soon be before the House of Representatives. This historic agreement represents over 45 years of trade negotiations between the United States and other member countries and the administration should be highly commended.

For States such as Texas, the Uruguay round opens important foreign markets to our products. Being the Nation's third largest exporter of merchandise, Texas' economy will be bolstered by the GATT's creation of significant export and employment opportunities.

This can only be good for my State's conomy. From 1987 to 1993, Texas merchandise exports almost doubled, rising by 97 percent. This rise was the second largest among all the United States. Texas' leading export industries of industrial machinery, computers, electronic equipment and chemical products together accounted for 57 percent of our State's exports in 1993. Texas is uniquely positioned to build on past successes to benefit from the Uruguay round and the opportunities the GATT will create.

In negotiating the Uruguay round agreement, the administration was immensely successful in achieving United States trade objectives. They successfully reduced trade distortions for agricultural and industrial goods, created regulations for new areas, such as services and intellectual rights, and established an improved process for resolving trade disputes.

improved process for resolving trade disputes.

Under the GATT, tariffs will be reduced on manufactured items by an average of one-third, mostly by zeroing out tariffs in selected product categories. For the United States and most other developed countries, these categories will include steel, construction and agricultural machinery, furniture, paper, toys, medical equipment, drugs, as well as beer and distilled spirits.

Industrialized countries will also phase out their quotas on textiles and clothing in four stages over a 10-year period. However, for the first time, developing countries will also elimi-

nate their textile import barriers.

Agriculture goods have been fully implemented into the GATT framework after the Uruguay round agreements. Subsequently, agricultural tariffs will be reduced approximately one-third over 6 years. The effect will be seen in increased U.S. agricultural exports and in-

creased farm income.

Important provisions regarding nontariff barriers, trade in services, foreign investment, and protection of intellectual property rights have also been added. The final GATT accord will modify or establish new world trading orders by creating the World Trade Organization to facilitate implementation of the agreements as well as strengthen trade dispute procedures. The final agreements also include antidumping procedures and contain subsidies provisions.

The GATT negotiations have made historic strides in reducing tariff barriers. For industrial countries, tariff barriers have been lowered from an average of 40 percent in the early 1950's to an average of less than 4 percent at the completion of the Uruguay round.

In particular, I would like to thank the administration for their work to improve regional industry import concentration provisions within the Statement of Administrative Action [SAA]. In the past, interpretations of antidumping laws have made it difficult for regional industries to prevail in pursuing fair treatment. I commend the administration for recognizing the unique nature of regional industries and providing regional industries with a fair remedy to respond to unfair trade practices.

However, while the agreement offers many opportunities, there are still some provisions that require improvement. That is why I offered an amendment which would grant the Department of Commerce authority to suspend dumping duties only in exceptional

cases.

The necessity for this provision is clear, considering the problem many of our domestic

industries face: The need for an effective means of securing access to the right quantity and quality product in times when domestic supply is inadequate.

Under my amendment, authority would only apply if a specified product under a dumping order is not available in the domestic market. This means that either a domestic producer does not currently produce the merchandise, or a domestic producer cannot fill a request for the product.

Let me offer an example to demonstrate the need for this provision: In 1992, Northern Natural Gas Co. undertook a large expansion project to provide clean burning natural gas to

homes from Nebraska to Iowa.

The product they need—large diameter steel pipe—was in short supply here in the United States. After purchasing all domestic supply available, they petitioned Commerce under the steel VRA program—from which our amendment is modeled—for short supply. They were granted a short supply waiver and were able to import the steel they needed without having to pay a 55-percent duty. This exemption allowed them to complete the project on time and saved them millions of dollars in potential contract penalties that would have been assessed by the Federal Energy Regulatory Commission.

This happy ending could not happen today. Instead this company will have lost the right to petition for short supply and will be forced to pay huge penalties as they wait for up to a year for domestic industry to supply their needed product. Without my provision, hundreds of companies like Northern Natural Gas will see their costs doubled and themselves placed at a serious competitive disadvantage.

Mr. Speaker, I and the cosponsors of this amendment believe that antidumping and countervailing duty remedies are an appropriate response to injury caused by unfair import practices in most market situations. However, in some circumstances these remedies can prove excessive and may work to the detriment of consumers of a product. That is why we have drafted our amendment to model the successful steel voluntary restraint program [VRA], thereby giving the Department of Commerce broad authority to review petitions. Under my proposal, the domestic producer holds all the cards. If they can supply the needs of the customer, there is no grounds for a temporary suspension of duties. If they can supply 80 percent of the customers' needs, then the petition may be granted a waiver for the remaining 20 percent of the order.

Mr. Speaker, the need for a temporary suspension of duties arises from the realities of today's marketplace. In our increasingly global marketplace, we must not tie the hands of American companies. We believe that our amendment guarantees a balance between the legitimate interests of producers and consumers. For the sake of fairness, balance and a competitive America we urge the adoption of a short supply provision to the GATT imple-

menting legislation.

I think this amendment will go a long way toward improving the GATT and strengthening the competitive advantage of American business. These landmark opportunities to stimulate our economy, promote U.S. exports, and create new, high paying U.S. jobs is a credit to the Clinton administration.

THOMAS SWAIN BARCLAY—A GREAT TEACHER, A GREAT FRIEND

### HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. HORN. Mr. Speaker, recently a memorial service was held for a great teacher and friend who encouraged over three decades of Stanford students to love American history and politics and to serve their community, their State, and their Nation.

Thomas Swain Barclay was a son of Missouri, a graduate of its State university, who then went east to Columbia to secure his doctorate in political science. He returned to his alma mater, the University of Missouri, and in a few years was called to Stanford University where he joined the faculty in 1927 and served as professor of political science until his compulsory retirement at age 65 in 1957. He died at 101 on December 21, 1993, 5 weeks short of his 102d birthday.

Five of Professor Barclay's students became U.S. Senators; at least another five served in the House of Representatives. A number of his students became captains of industry with a keen understanding of American politics. Among the latter were Najeeb Halaby, former chief executive officer of Pan American Airways; Rudy Munzer, chief executive officer of Petrolane, Inc.; and George Egan, an entrepreneur in southern California.

Because of the legislative schedule, neither Senator MARK O. HATFIELD nor I could participate in the beautiful memorial service at the Stanford Memorial Church which was arranged by Messrs. Egan, Halaby, and Munzer. The moderator was Dr. Dennis Bark, whose father, professor of history William Bark, was one of Dr. Barclay's close friends.

To provide a perspective on the life of Professor Barclay, I include the remarks of Dr. Dennis Bark, Senator HATFIELD, and myself. REMARKS OF DR. DENNIS L. BARK, THE HOO-

VER INSTITUTION, IN TRIBUTE TO THOMAS SWAIN BARCLAY

Thomas Swain Barclay was left-handed and loved baseball. As my brother and I were growing up, we learned about baseball from Uncle Tom; and we learned a lot of other things also, because we first met him when I was five.

He was always, for Jed and me, Uncle Tom; and that's what we called him all his life.

We thought one of the remarkable things about Uncle Tom was his memory. He remembered everything! That included facts, and stories, and poetry, and good, old-fashioned, straight forward adages—none of which would have sounded the same from anyone else. In the next few minutes I want to recite some of them, because they describe Uncle Tom the way many of his Stanford friends knew him.

Often he would begin a conversation—at "The Frenchman's House," at 721 Alvarado Row, at his cottage at Miss Gardner's, at 1'Ommies, at the Bohemian Club, at his home on Mayfield Road, or at Webster Street—with, "Here is the batting order."

So, here it is.

My father and Uncle Tom met in 1927/28. Uncle Tom joined the Stanford Faculty in 1927, and may father arrived at Stanford as a Freshman that same year. That friendship continued almost sixty-five years, until December 21, 1993

Along the way there were many mile-

Uncle Tom and my father loved football games, and all of us went together. We discussed the "Old Alma," and listened to Dink Templeton on the radio.

When my brother and I were teenagers he decided my brother had special talents, because he was left handed and played first base. So every time Uncle Tom went home on Sundays, after dinner at our house, he would remind Jed: "Stay on first base."

Uncle Tom was regularly at our house for dinner. He always brought my mother a one pound box of See's candies, because they were the best. He presented the candy to mother, and said to me and my brother: "We're in clover; your mother's cooking dinner.

Part of Uncle Tom's life was Stanford, and another part was St. Louis, where he went every year. We took him to the train after we got our driver's licenses-he never drove a car-and picked up his mail while he was away, which included the freshly laundered shirts sent from St. Louis.

Later, in the 1970's and early 1980's, after I was married and Uncle Tom had moved to Webster Street, our children took him his mail every Saturday morning on their bicycles, and always stayed a while to, as Uncle Tom used to say, "review the situation." He kept in touch with Dwight, Matthew, and Samuel, and he knew until December 21 where they were in school and what they were studying.

When I was a student at Stanford I saw him not only for Sunday dinners, but also for lunch at the Old Union, for a drink at the cottage, and then later across the street at 619 Mayfield. In 1964, when I was in my senior year, and Uncle Tom had been retired since 1957, he came back to teach a Senior Colloquium on the 1964 elections—so we could say that he had been both my father's and my teacher.

During those years at Stanford, and later on, I made notes, here and there, of what he said. Not only did I save them, but I use a lot of them myself.

One of his favorites was, "Politeness costs nothing and buys everything," often followed by "Never look at the mantle when you're stoking the fire." I didn't know what he meant exactly, but I think I figured it out in due course.

Another one, whose value I saw right away. was, "Never write a letter to a woman you couldn't chill beer on." That was one which particularly annoyed my mother; but it sounded reasonable to me at age 21

Then, there were some which did make a lot of sense, but which an undergraduate at Stanford really had a tough time appreciating until later on. Such as: "She knows the difference between a parlor and a drawing room." And two more that go together particularly well: "Just remember, you don't have to tell everything you know." If that wasn't clear enough, he added, "You don't have to explain anything you didn't say.'

The one I liked best, in some ways, was one which I am still not sure I understand completely: "Never change barrels while going over Niagara Falls."

Of course, Stanford was often a topic of conversation, and the only time I think I saw Uncle Tom really become annoyed was when there was discussion about Stanford's being on the edge of greatness. It was a phrase intended to raise money for Stanford's PACE campaign of the early 1960's. When this talk started it was shortly after Uncle Tom's retirement, and he did not like the implication. So he inverted the intention, and told his friends, more than once: "Stanford is on the edge of greatness; the question is can it climb back to the top?" In more sanguine moments he would say, solemnly: "There isn't anything I can do about it." And if we ventured a comment, especially when we were young, he always welcomed it with: "Well, another county heard

Whenever he thought of it, he would often say in this latter context of being unable to do anything about it, "If you can't find someone in your own country to marry, stay where you are." Well, I was fortunate to find someone in my own country. The result was that France and Uncle Tom became fast

friends for twenty years

His legendary memory included the ability to recite poetry and verses, which he often did. They would just sort of roll out, and we all would listen. Our favorite, and I think, his too, was always recited around Thanksgiving and Christmas, which Uncle Tom often spent with us. It comes from "Love's Labours Lost": I quote:

When icicles hang by the wall, And Dick, the shepherd, blows his nail, And Tom bears logs into the hall, And milk comes frozen home in pail. When blood is nipp'd and ways be foul Then nightly sings the staring owl, Tu-who; Tu-whit, tu-who-a merry note. While greasy Joan doth keel the pot. When all aloud the wind doth blow, And coughing drowns the parson's saw: And birds sit brooding in the snow, And Marion's nose looks red and raw \* \* \* Then nightly sings the staring owl, Tu-who Tu-whit, tu-who-a merry note.

Following this service there is a reception at the Hoover Institution. A reception there is especially appropriate, for several reasons. Uncle Tom admired the Institution under Glenn Campbell's direction, and he appreciated Glenn's kindnesses to him, of which there were many. Moreover, the courtyard where we will toast Uncle Tom following this service, is named the "Mark Hatfield Court." in honor of Uncle Tom's former student with whom he remained friends all his life.

Apropos the reception later this afternoon, several additional comments are, as Uncle Tom would phrase it, "in order." There was a unique side to Uncle Tom which all of his friends knew and loved, and which we all recognized with great affection. He loved to talk with people. He was good at it. He remembered everyone, and everybody knew him. And those who didn't, wanted to. One, of many reasons, was that he always followed his own adage: "Leave them laughing when you say goodby."

Uncle Tom loved laughter, held Stanford in great affection, believed that America was beautiful for good reasons, was dedicated to the principles of democracy, considered ethical standards and moral values of major importance; and was a gentleman.

There was, in addition, the value of good

bourbon whiskey.

Uncle Tom had strong views on this latter subject, and he communicated them to us in no uncertain terms. His advice to me when I went away to college was: "Never have your picture taken with a drink in your hand." With this observation firmly and clearly delivered, he wisely counseled something which seemed very obvious to him: "You must always drink the wine of the country, and the wine of this country is bourbon."

And that is one of the reasons why he was so fond of l"Omelette," when Andre and Pierre Frelier ran it. The first time he took me there I wrote down his opening line: "Andre, it's Jack Daniels." It was also at l'Ommies that he gave real meaning to one of his favorite phrases, from Henry the Eighth: "Good company, good wine, good welcome, can make good people."

When he had enjoyed good company, good wine, and a good welcome, he always wrote a thank you note. My mother received many of them and so did my wife. In all of them there was certain to be one particular phrase. I want to turn this phrase around, as I conclude, and say to Uncle Tom what he wrote so unfailingly to us: "What answer can I make, but 'thanks-and thanks-and ever thanks."

#### REMARKS OF MARK O HATFIELD II'S SENATOR

In remembering Professor Thomas Barclay, I was unsure at first how to refer to Was he a teacher? Was he a mentor? him. Was he both?

Webster's dictionary defines a teacher as "one whose occupation it is to instruct"

rather bland image.

The term "mentor," however, is defined as "a trusted counselor or guide." True, Thomas Barclay was my teacher. But he was more. He was a trusted advisor and was truly a mentor to me.

During my years as a graduate student at Stanford, I was considering a career in public service and was solidifying my Republican roots. Yet there I was studying political parties under the tutelage of a centrist Democrat. As a good teacher will, he did not attempt to impose his opinions on his students. He sought merely to ensure that my understanding of history was thorough and that my reasoning was solid.

At times, however, his Democratic leanings were evident. One such occasion in

particular stands out in my mind.

Under his guidance, I was writing my thesis on the subject of the labor policies of Herbert Hoover as they evolved during the years leading to Hoover's election in 1928. As you know, Hoover defeated Democrat Al Smith, the long-time governor of New York, for the presidency.

This campaign was the earliest in United States history to be influenced significantly by the advent of radio. For the first time, Americans could hear the voice of each candidate. I contended that this development was a significant factor in Hoover's victory. His voice was deep and resonant. Al Smith's, suffice it to say (remember he was a New Yorker), was not. In my thesis, I had labeled Smith's voice

"unpleasant." Professor Barclay, however, crossed out "unpleasant" on my draft and inserted "unusual." I kept the change, knowing a protest was futile.

One of my fondest memories of Professor Barclay is the image I have of him sitting at a table at a favorite restaurant of students of my time, L'Omlettes, a place we had affectionately dubbed "L'Ommie's". An impeccable dresser, Professor Barclay would sit calmly at a table, sipping his Park and Tifford, surrounded by enthusiastic students pumping him for comments. Warm and kind yet commanding respect, he was the image of Edwardian sartorial splendor. Professor Barclay was a true gentleman, one of the last of a fading breed.

Thomas Barclay was to the students of Stanford University more than simply an instructor. He was never one to blindly impart his knowledge to an audience of anonymous faces. Instead, Professor Barclay was a mentor in the richest sense of the word. He engaged each student individually and challenged us to evaluate, to be critical, and to form well-reasoned opinions of our own.

It has been said that a teacher affects eternity. With Professor Barclay, this is certainly the case. I feel extremely fortunate to have studied under his guidance. His influence on me and on every student he taught was powerful and lasting. He will be sorely missed.

REMARKS OF STEPHEN HORN, MEMBER OF CONGRESS

"A STUDENT'S PERSPECTIVE ON THOMAS SWAIN BARCLAY"

There are so many memories of Thomas Swain Barclay over four decades of knowing him: first as an undergraduate in political science 1. American Government, fall 1950. He took an interest in those of us who were in student government and who also cared about national issues. His course in political parties coincided with the 1952 Presidential campaign. He made the study of politics and power exciting. No wonder five of his students became United States Senators and several became Members of the House of Representatives.

In 1953, in political science 400, a graduate seminar on methodology, Professor Barclay's historic opening words to the group of apprentice professionals was: "Grasp life by the throat rather than by the tail."

He also urged us: "Don't praise or condemn theories of institutions: understand them."

We all saw in TSB a friend, a mentor, a great teacher, and the epitome of a gentleman, whether we were political science majors, pre-med—or even engineers. He cared about us and what we did.

He cared about relationships and families. Given his amazing memory for maiden names and who was who when and where, I often thought that he might become a previously untapped source for the great collection on genealogy of the Church of Latter Day Saints in Salt Lake City.

In between the seriousness of a lecture I

recall him saying:

1. "Being a Democrat or a Republican is the most casual thing in the world."

2. "Political parties are like football games—the teams have the same rules, just different colored sweaters."

3. Recalling that President Eisenhower appropriated the "100% of farm parity issue" from the Democrats in 1952, TSB summed it up: "You find your opponent in swimming and steal his clothes."

4. "Roosevelt talked 'prettier' about civil rights, but Truman tried 'to do' something

about them."

His lectures were sprinkled with the wisdom and humor of some of the great political scientists of his era. As a Columbia doctorate, he was particularly influenced by the works of Charles A. Beard, one of that institution's great teacher-scholars. In his 100th year, I asked TSB to remind me of a Beard quote for a speech. Without a moment's pause, he rattled it off as he had 40 years before.

I recall his favorite story about Beard being a gadfly to Columbia's imperious president Nicholas Murray Butler. After one of Beard's many books was published, a faculty member asked President Butler, "Have you seen Beard's last book?" To which President Butler replied, "I hope so!" as he walked on.

When TSB was not writing notes to Stanford presidents reminding them that the

alumni were coming in two weeks and that a pile of trash in the inner quad should be removed, or urging that the expenditures on the medical school were shortchanging undergraduate education, or trying to get the provost—an engineer—to require more liberal arts for undergraduate engineering majors, he was keeping his lectures up to date by reading the books in his great personal library on American politics.

His students respected him not only because he was a friend but because he was a professional. He integrated constitutional law, American history, and political science. He took us through the processes and excitement of a campaign. He actually liked politics and had practicing politicians to the class to share their knowledge and discuss their problems. He never imposed his political views on his students.

When Professor Barclay retired in 1957, his retirement celebration was a mock political convention. He was nominated for the office of President of the United States by Stanford president J.E. Wallace Sterling. He was overwhelmingly elected! A Thomas S. Barclay fund to aid Stanford undergraduates

was established at that time.

Tom Barclay loved Stanford. He fondly recalled Missouri. He cherished the Stanford chapter of Phi Beta Kappa for which he served as its long-time secretary. But most of all he valued his circle of past students who shared the common bond of devotion and respect for a great teacher and a true friend.

CUBA'S BRUTALITY

### HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. DEUTSCH. Mr. Speaker, on July 13, 1994, Fidel Castro's henchmen deliberately and cruelly sank the tugboat of 72 fleeing refugees, causing the death and disappearance of approximately 40. Twenty of those sent to their watery graves were young children.

The episode is one that has become all too familiar to those who monitor the plight of individuals fleeing Cuba's brutality. The group of 72 freedom seekers hopped aboard a tugboat with the ambition of reaching freedom and safety. Once 7 miles offshore, the refugees were barraged by three Cuban tug boats which rammed their ship attempting to sink it. Castro's men then turned powerful water hoses on the refugees instantly clearing some off the decks. Hoping that the presence of children would deter Castro's men, the refugees pointed to the children on board only to have them knocked from their arms with the force of the water.

Nearly as tragic as the massive loss of human life is the silence that has proceeded this brutal act. The survivors have spoken out, but the world has largely ignored them. Sadly, this is only one of many acts that Cubans have come to expect from the maximum leader, an inhuman dictator that makes a common practice of murder.

Unfortunately, there are those who continue to embrace the Castro regime while conveniently overlooking these ruthless acts. They perpetuate this romantic notion of a charismatic leader who descended from the hills.

Yet, if this act alone is not enough to thwart this notion, how many more corpses will it take until Castro's allies are convinced that his stranglehold on Cuba must end? As freedom loving Americans, we cannot allow these lives to have been lost in vain. We must force the world to confront the gross violation of human rights and outright murder in Cuba.

TRIBUTE TO DR. LEROY CHIAO

### HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. BAKER of California. Mr. Speaker, I rise on the week of the 25th anniversary of the Apollo 11 Mission, when man first walked on the moon, to recognize one of my constituents, Dr. Leroy Chiao. For over 2 weeks, Dr. Chiao has been living out his childhood dream of being an astronaut.

On July 8, 1994, Dr. Chiao lifted off in the space shuttle *Columbia*, serving as its mission specialist. *Columbia* is scheduled to touch down tomorrow, July 23, 1994, at the Kennedy

Space Center.

Dr. Chiao and I share the same hometown, Danville, CA. He is a graduate of Monte Vista High School in Danville and received a B.S. in chemical engineering from the University of California at Berkeley. He earned his masters and doctoral degrees in chemical engineering from the University of California at Santa Barbara and now works as a chemical engineer at the Lawrence Livermore National Laboratory.

As the first full Chinese-American NASA astronaut, Dr. Chiao is running the shuttle's space systems while in flight and is participating in nearly 80 different biological and materials-science experiments with other top scientists from around the world. He is also one of two astronauts on board trained to perform space walks outside the shuttle and will do so if needed. Dr. Chiao trained for this flight for 21 months, but has been preparing to be an astronaut for a lifetime.

I commend Dr. Chiao for his dedication to space exploration and the world of science, and I look forward to meeting with him upon his return to Earth.

His contributions have helped the United States maintain its role as the world's leader in science and technology, and instill a great sense of pride in all Americans.

THE ALEXIS DE TOCQUEVILLE INSTITUTION IS A VALUABLE SOURCE OF INFORMATION ON ENVIRONMENTAL RISK

#### HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1994

Mr. ZIMMER. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding policy research efforts by the Alexis de Tocqueville Institution in building intellectual support for enhanced cost-benefit analysis and risk assessment for environmental decisions. All too often, billions of dollars are wasted on environmental problems that are not really dangerous, leaving little for others that pose far more serious human and ecological risks. The Alexis de Tocqueville Institution has undertaken an aggressive public information campaign to build support for cost-benefit and risk analysis initiatives that would focus environmental regulation on the most serious risks.

The Environmental Risk Reduction Act, which I have introduced with Representative JIM SLATTERY in the House and which Senator DANIEL PATRICK MOYNIHAN has introduced in the Senate, would ensure that policymakers and the public are aware of the true dangers posed by health and environmental risks, and the costs and benefits of reducing such risks. Only in this way can we rationalize environmental decisions and reduce the burden of environmental regulations on businesses, State and local governments and individual citizens.

Clearly there has been a dramatic shift in the congressional debate over environmental questions toward requiring more stringent cost-benefit analysis and risk assessments. The Senate has twice passed Senator J. BEN-NETT JOHNSTON's cost-benefit amendment by large bipartisan majorities. The Senate's version of the Safe Drinking Water Act would require more comprehensive risk assessments before new regulatory requirements are imposed on State and local governments. Here in the House, there has been a similar upsurge of support for risk assessment and costbenefit analysis. In my view, the de Tocqueville Institution's writings have played a major role in educating Members, the press and the general public about the need to rationalize environmental policy and reduce excessive regulatory costs.

I would ask that an article by Cesar V. Conda, executive director of the Alexis de Tocqueville Institution concerning the Moynihan-Zimmer-Slattery Environmental Risk Reduction Act be entered into the RECORD for re-

view by my colleagues.

[From the Journal of Commerce, May 5, 1994] TIME TO RATIONALIZE EPA RULES

(By Cesar V. Conda)

The cost of complying with environmental regulation has exploded—currently \$150 billion and projected to rise to \$185 billion by the year 2000. Now more than ever, the science behind environmental decisions is being questioned.

The New York Times summed it up best: "In the last 15 years, environmental policy has too often evolved largely in reaction to popular panics, not in response to sound scientific analysis of which environmental hazards present the greatest risks. As a result, billions of dollars are wasted each year in battling problems that are no longer considered especially dangerous, leaving little money for others that cause far more harm."

As Sen. Daniel P. Moynihan, Democrat of New York, put it, "Truth be told, I suspect that environmental decisions have been based more on feelings than on facts."

In response to the explosion in the cost of environmental regulation, and the government's practice of spending enormous amounts of money to reduce small risks instead of big risks, Sen. Moynihan, Rep. Richard Zimmer, R-N.J., and Rep. Jim Slattery,

D-Kan., have introduced the Environmental Risk Reduction Act. This bill would ensure that the billions spent by the American people for environmental protection is better targeted at reducing the most serious and probable risks.

The Moynihan-Zimmer bill is designed to sharpen the public debate over risk assessments and require the Environmental Protection agency to set risk reduction priorities based on sound scientific analyses.

Specifically, the bill would create two expert commissions that would provide the EPA with advice on ranking relative risks and on estimating the quantitative costs and benefits of reducing risks to human health and natural resources. The bill also creates a Risk Reduction Research Program that would improve the data, methodology and accuracy of the government's risk assessments.

Every two years, the EPA administrator would be required to submit a report to Congress—based on the new research findings and recommendations of the risk assessment advisory panels—that would prioritize health, safety and ecological risks, estimate the costs and benefits of reducing these risks and identify the public awareness of likelihood, seriousness, magnitude and irreversibility of each risk.

Ensuring that the general public is aware of the relative risks they face is crucial to setting environmental priorities. The 1990 Reducing Risk report by the EPA's science advisory board states the "relative risk data and risk assessment techniques should inform (the public) judgment as much as possible."

For example, if the public knew that an average-sized plate of shrimp contains trace arsenic levels of 30 parts per billion, would the people choose to continue paying for a costly EPA water quality rule limiting arsenic to no more than two to three parts per billion? Similarly, would the public agree with some environmentalist's hope of banning the commercial use of all pesticides (thereby raising prices of fruits and vegetables) if they knew that there are more known carcinogens consumed by drinking one cup of coffee than the amount of potentially carcinogenic pesticide residues consumed by the average person in a year?

All too often, EPA selectively uses risk assessments to dictate environmental policy to the public instead of to inform them of their choices. For example, the EPA's recent finding that "environmental tobacco smoke"—or second-hand smoke—is dangerous to human health is based on a threshold of risk assessment two times lower than what the agency normally uses for other substances. All too often, politics get in the way of sound science.

Upgrading the scientific methods behind EPA's risk assessments and explaining to the public the health risks of certain substances or activities relative to the risks they normally face in their everyday lives would result in more rational—and perhaps less costly—environmental decisions. For instance, the public might decide that the millions spent by local governments to monitor trace levels of drinking water contaminants that pose no serious health risk would be better spent on building new roads, improving local schools or hiring more police.

Right now, however, the people aren't aware that they have such a choice. "Relative risk ranking and cost benefit analyses are tools," said Sen. Moynihan. "Crude tools today, yes, but perhaps sufficient in some cases to rank activity A as more risky than

activity B. If the costs or political realities dictate that we should control B before A then great.

Today, the Clinton administration and many environmentalists have vehemently opposed measures to expand the use of costbenefit tests and risk assessments for environmental regulations and programs; they argue that such requirements are "unreasonable" and would add unnecessary costs for the EPA. But what about the "unnecessary" and "unreasonable" costs imposed by environmental regulatory agencies on state and local governments, small business entrepreneurs, consumers, landowners?

The issue of risk assessment and cost benefit analysis has built up a tremendous head of political steam on Capital Hill. Last April, an amendment proposed by Senator J. Bennett Johnston, D-La., implementing risk assessment and cost-benefit analysis into the policy-making process at EPA passed 95-3 in the Senate when it was offered to the EPA cabinet bill. Sen. Johnston plans to offer his amendment again during the forthcoming U.S. Senate debate over legislation to reauthorize the Safe Drinking Water Act. In addition, Sens. Moynihan, Joe Lieberman, D-Conn., and Harry Reid, D-Nev., Plan to advance a version of Sen. Moynihan's Environmental Risk Reduction bill.

Politicians on both sides of the aisle are responding to the public's desire to rationalize the government's environmental decisions. The Environmental Risk Reduction Act is a workable, bipartisan approach that would help both the environment and society by setting priorities for environmental problems and lessening excessive environmental

regulatory burdens.

### TRIBUTE TO ALVIN UNGERLEIDER

#### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. LANTOS. Mr. Speaker, this year marks the 50th anniversary of the greatest undertaking in the history of war: the D-day landing on the beaches of Normandy. I rise today to honor one of the soldiers of democracy who went ashore at Omaha Beach on the morning of June 6, 1944.

Alvin Ungerleider was a second lieutenant, just 22 years old, when he led a platoon of 50 men onto Omaha Beach and up the gully the Allies had named E-1. When their assault was slowed by German mines, Lieutenant Ungerleider led his men of Company L, 3d Battalion of the 115th Regiment, 29th Division, through the minefields to join the battle to free the town of St. Laurent-sur-Mer.

For his valor at Normandy, Lieutenant Ungerleider was awarded the Bronze Star. Later that summer, he would receive his second Bronze Star while fighting to liberate the

French city of Brest.

Al Ungerleider was wounded twice during the first month of the Allied invasion, yet he fought on through France and Germany, when the German Army fell, he brought freedom to the inmates of a Nazi death camp he liberated near Nordhausen.

Al Ungerleider had been raised in the bitter realities of the Depression, then was drafted from his hometown of Carbondale, PA. At first a citizen soldier, Al Ungerleider then stayed on in the Army for 36 years. He served first as an Infantry officer, later in Armor.

He fought again in both Korea and Vietnam. In Vietnam, while commanding the Bien Hoa Tactical Unit, he spent his free time working with a Vietnamese orphanage.

Throughout his military career, he served not only his country, but his religion. In 1955, while stationed at Monterey, CA, he started its first Sunday School for Jewish children. During his military career, he was dedicated to Jewish life wherever he lived.

He rose to the rank of colonel and retired in 1978 after commanding the Aberdeen Proving Grounds in Maryland. During his military service, he was the recipient of three Legions of

At Aberdeen, he received awards from both the Secretary of the Army and the NAACP for establishing Equal Opportunity programs.

On June 6, 1994, Al Ungerleider was selected from among the thousands of D-day veterans to escort President Clinton at the American Cemetery at Colleville. Colonel Ungerleider walked alongside the President on the 50th anniversary of D-day. They laid a wreath to honor all who fought and died in the battle to liberate Europe. As President Clinton said that day, "When they were young, these men saved the world."

A leader of the 29th Division Association, Alvin Ungerleider believes that it is his responsibility to teach us all the lessons of D-day, that nothing worth having is given freely. He hopes his generation, and particularly those who fought to liberate France and the world. has taught young Americans that when the choice is between fighting for freedom or abandoning freedom, we must fight.

#### BRETTON WOODS REMEMBERED

### HON, PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. CRANE. Mr. Speaker, 50 years ago this past month, a very important agreement was made at Bretton Woods that stabilized the U.S. economy for decades. This agreement was the convertibility of most major currencies around the world into a gold standard. Unfortunately in 1971, President Richard Nixon suspended gold payments to foreign governments ending an era of economic stability.

From 1944 through 1971, consumer prices only increased an average annual rate of 3.2 percent, the lowest since World War I. Since the destruction of the gold standard by President Nixon, the average annual consumer price increase has been 6 percent. This unreasonable rate has slowed domestic production and international trade. Returning to the gold standard will create new international trade ventures with the former Soviet Union and South Africa.

I urge my fellow Members of Congress to read the following article. I would like to submit the following article written by Lewis Lehrman and John Mueller. I believe to stabilize our country's economy once again, the dollar must again be associated with the gold standard.

REDEEM US WITH A CROSS OF GOLD (By Lewis Lehrman and John Mueller)

Fifty years ago this month, the Allied nations met at Bretton Woods, N.H., to create the postwar monetary system. Woods re-established international convertibility of the major currencies into gold or gold-convertible dollars. The system lasted until Aug. 15, 1971, when President Nixon suspended gold payments to foreign govern-

Measured against the period since 1971, Bretton Woods seems almost a golden age. Consumer prices more than doubled between 1944 and 1971, an average annual rise of 3.2%; but after the Korean War the average rise was 2.3%. By contrast, since 1971 prices have multiplied 3.5 times, an average annual rise of 6%

In broader historical perspective, however, Bretton Woods is a distant second best. The record of price stability under the classical gold standard, from 1834 to 1862 and 1879 to 1913, is without parallel. U.S. consumer prices varied in a 26% range in those 62 years, and stood at almost exactly the same level at the beginning and end of both periods. Average inflation was zero, while the average annual variation of prices in either direction was 2.2%. From 1879 to 1913, when the U.S. and most other major nations shared the gold standard, U.S. consumer prices ranged only 17% in 34 years. Average inflation was again zero, and the average annual variation of prices, up or down, was 1.3%. This stands in sharp contrast to the average price gyrations during and after the Civil War (6.2%), the period from World War I to Bretton Woods (5.6%) and the period since Bretton Woods (6%).

#### AFTER THE BREAKDOWN

What accounts for the difference? The level of consumer prices has always mirrored a measure we have named the World Dollar Base-the sum of "high-powered money" including U.S. currency, bank reserves and foreign official dollar reserves. In our chart, the World Dollar Base is shown relative to growth (for our calculations we used an annual trend of 1.9% growth per capita, the average growth rate of real income as far back as we have records). The supply of dollars exploded after the breakdown of Bretton Woods.

Let's take a moment to review the reasons for this change. The fluctuations in the chart reflect changes in the standards by which money is issued. High-powered money is simply the standard (gold or paper) money in circulation, plus any official monies convertible into standard money. Before 1914, high-powered money meant metal and paper currency held by banks and the public. In 1914, the Federal Reserve system added a new form of high-powered money-bank deposits at the Fed, which substitute for vault cash. Then, after World War I, foreign central banks created a third category of U.S. highpowered money when they began to accept foreign exchange-chiefly dollar or sterling assets-in lieu of gold.

This "gold-exchange standard" was formalized in the Bretton Woods agreement. Since 1971, official reserves have mostly been in foreign exchange. It might seem that this would not affect the high-powered money of a reserve-currency country like the U.S. Foreign central banks typically convert their dollar holdings in U.S. Treasury securities. But this is the whole point-just like bank deposits at the Federal Reserve, these dollar reserves substitute for official payment in standard money. They behave as a form of U.S. high-powered money, and fuel the kind

of growth the chart reflects.
Gold itself stabilizes. Under an international gold standard, the supply of gold coins or bullion responds to the level of prices generally. For an individual country, a rise or fall in prices relative to other goldstandard countries leads to an outflow or inflow of gold money. A world-wide rise in wages and prices discouraged gold production (it raised mining costs), while a fall in prices stimulated gold production. So, absent sharp expansions or contractions of credit, the price level varied within narrow limits

Gold convertibility also regulates the supply of paper money. But swings in credit permit sharper price fluctuations than would otherwise have been possible. Without convertibility, this constraint is removed altogether. A detailed analysis shows that all major inflations and deflations, under every U.S. monetary standard, have involved credit. They have been driven by variation in the 'fiduciary' part of the World Dollar Base, the part based on credit rather than precious metals.

In fact, the Bretton Woods system contained in the seeds of its own destruction. Like the interwar gold-exchange standard, Bretton Woods differed from the gold standard in one essential respect: the use of foreign exchange along with gold as international reserves. And this turned out to be its fatal flaw. Steady expansion of dollar reserves contributed to rising prices, and rising prices steadily diminished the supply of new gold. In 1960, Jacques Rueff and Robert Triffin economist-statesmen predicted the eventual run on the dollar. This would lead to either deflation or suspension of gold payments and continued inflation.

The world had stumbled into deflation under similar circumstances in the 1930s, with foreign exchange playing a key role. From negligible levels in 1913, official sterling and dollar reserves mushroomed to more than 60% of the value of world gold reserves in 1928. From 1929 to 1932, during runs first on sterling and then on the dollar, almost all these foreign-exchange reserves were liquidated, sucking prices down toward their prewar levels. A surge of gold money, which accelerated to a flood after the dollar's devaluation in 1934, was what stopped the deflation.

Yet in 1971, the U.S. chose to suspend dollar-gold convertibility, and the world moved onto today's loose "dollar standard." This was not merely throwing the baby out with the bathwater-it was a case of throwing out the baby and keeping the bathwater. Gold was always the element of price stability and foreign-exchange reserves the element of instability in the international monetary sys-

tem. We kept foreign-exchange reserves and

got rid of gold.

A stable system could have been re-established-and still could be-if the major countries restored a gold standard without foreign-exchange reserves. This would be basically, Bretton Woods minus dollar reserves. Of course, the gold value of convertible currencies must be properly chosen to avoid any deflation. The proposal was in fact made in the 1920s and 1960s but rejected. The experts had other ideas. Yet over the years, all the arguments against returning to gold have withered and dropped like leaves in autumn.

It used to be claimed that inflation is necessary to keep unemployment down, but we've learned from bitter experience that this simply isn't true. It was said that the gold standard caused deflation, but as we have seen, all the major inflations and deflations were due to paper, not gold. It was said that adjustments under floating exchange rates would be smooth and gradual, but this hasn't happened either.

There are also the celebrated predictions that if gold were delinked from money, its price would plunge to \$6 an ounce from \$35proving that paper money "supported" gold. Yet the dollar now trades for less than a tenth of its former gold value. Finally, it was argued that a return to gold was unthinkable because it would benefit the Soviet Union and South Africa; today, of course, we want to integrate both countries into the world trading system. It has been said-including on this page-that we could manage the current system just fine by targeting the money supply or commodity prices. But the quantity of foreign-dollar reserves cannot be targeted and commodity prices respond after a good two years—too late. There is no argument left against gold except "you can't turn back the clock."

Credit has continued to be the problem here. Since the Civil War, nearly all of the credit behind the World Dollar Base has gone to the U.S. Treasury. The nontechnical answer as to why prices have risen nearly fourfold since 1971 is that the (mutated) financial system has absorbed (monetized) over \$2 trillion in Treasury debt since then. This is what has permitted ever larger federal definition.

#### POLITICAL DANGERS

Some think this arrangement is just fine—financial and commodity speculators say so all the time. To judge by President Clinton's first appointments to the Fed, he, too, is partial to inflation. Yet, like President Bush, Mr. Clinton is about to learn the political dangers of monetary instability.

Back in 1988, we correctly predicted that U.S. consumer price inflation, then 4%, would peak between 6% and 7% in mid-1990, followed by a mild recession. That combination was enough to cost Mr. Bush re-election. Based on a similar analysis, we now predict a rise in consumer price inflation from 2.3% over the past 12 months to a peak

of 4% to 5% by mid-1996. The rise of inflation should be associated with a slowdown of real economic growth, from almost 4% over the past year to near zero in 1996. This may not, by itself, do in Mr. Clinton, but it will make the 1996 election interesting.

Perhaps one day even politicians, who made the wrong choice in 1971, will get fed up. They will reject the "cross of paper" and return us to the only money that has worked: gold.

#### HONORING TEACHERS

### HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1994

Mr. DEUTSCH. Mr. Speaker, it is my privilege to rise today in order to congratulate two members of my constituency for their efforts toward improving the quality of education in America. In our ongoing quest to lower the level of illiteracy, eliminate violence and drugs from the lives of our youth, and increase the number of teens graduating from high school, excellence in education is essential. The efforts of teachers both inside and outside the classroom are in intricate part of these efforts. For these reasons it is my distinguished pleasure to commend the teaching team of Claudia A. Fournier and Herman E. Veith, Jr. from Chaminade-Madonna College Preparatory in Hollywood, FL, which was recently awarded one of 60 GTE Growth Initiatives for Teachers (GIFT) grants for their combined efforts in developing a proposal involving the subjects of mathematics and science for both the enrichment of their students and professional advancement of the teachers.

The student enrichment portion of the proposal developed by Ms. Fournier and Mr. Veith, which will include 150 students studying

physics and advanced math, gives the students a comprehensive mathematical and technical foundation for exploring their own individual interests in electronics.

Both of these teachers have committed themselves to professional advancement programs. Ms. Fournier proposes to get her certification in advanced placement calculus and spend 5 days at the Space Academy for Educators. Mr. Veith will participate in NASA's Capital Area Space Orientation Program as well as take four graduate courses at Barry University to begin work on a master's degree in computer science.

The grant received, worth \$12,000, comes from a pool of \$6.5 million funded entirely by GTE. The money is to be spent on the proposal submitted, \$5,000 for the professional improvement of the teachers, and \$7,000 for student enrichment programs.

Claudia Fournier has a bachelor of science degree in math from the University of Alaska. Recently she has completed an M.Ed. in educational leadership. She has taught at schools in Ohio, Virginia, and Florida before coming to Chaminade-Madonna in 1992. Outside of teaching, she was worked for the Army Corps of Engineers and B.F. Goodrich.

Herman Veith has a bachelor of science and 30 graduate credits in electrical engineering. He registered as a professional engineer in Pennsylvania, with extensive industrial experience before beginning his teaching career. He has been at Chaminade-Madonna for the past 4 years.

The support of educational advancement programs such as this is essential in creating a strong and secure future for American education. The efforts of both the recipients and GTE should to be applauded, and their example followed in order to improve our educational standards.